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CLASSIFICATION SECRET/CONTROL - U.S. OFFICIALS ONLY SECURITY INFORMATION 25X1						
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SUBJECT Production of the Ganz Shipyard NO. OF PAGES						
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- 1. The Ganz shippard has now completed hull No. 34 and this vessel made a trial trip in July 1952. There are two further vessels of this class laid down to complete the Soviet order of 36.
  - 2. The contract for building these 36 ships included a clause obliging Ganz to overhaul each of the ships free of charge after one year's service. This has not been possible as the ships are in service too far away to return for an overhaul and instead of carrying out this servicing the Ganz yard will have to build two further vessels free of charge.
  - 3. Work on the first of the 50 vessels to be built for the USSR under the commercial treaty, has not been begun. Work on the first of the two ships for Poland is at a standstill on account of shortage of steel
  - 4. In Obuda seagoing vessels are being built but no details are available. The Obuda yard has until recently been in Soviet hands but has now been handed over to the Hungarians.

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